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sible future incompatibilities between our current BIT and EU law.

I recommend that the Senate consider this Protocol as soon as possible, and give its advice and consent to ratification at an early date.

GEORGE W. BUSH

The White House,
March 12, 2004.

Message to the Senate Transmitting the Additional Protocol to the Latvia-United States Investment Treaty
March 12, 2004

To the Senate of the United States:

With a view to receiving the advice and consent of the Senate to ratification, I transmit herewith the Additional Protocol Between the Government of the United States of America and the Government of the Republic of Latvia to the Treaty for the Encouragement and Reciprocal Protection of Investment of January 13, 1995, signed at Brussels on September 22, 2003. I transmit also, for the information of the Senate, the report of the Department of State with respect to this Protocol.

I have already forwarded to the Senate similar Protocols for Romania and Bulgaria and now forward simultaneously to the Senate Protocols for the Czech Republic, Estonia, Latvia, Lithuania, Poland, and the Slovak Republic. Each of these Protocols is the result of an understanding the United States reached with the European Commission and these six countries that will join the European Union (EU) on May 1, 2004, as well as with Bulgaria and Romania, which are expected to join the EU in 2007.

The understanding is designed to preserve U.S. bilateral investment treaties (BITs) with each of these countries after their accession to the EU by establishing a framework acceptable to the European Commission for avoiding or remedying

present and possible future incompatibilities between their BIT obligations and their future obligations of EU membership. It expresses the U.S. intent to amend the U.S. BITs, including the BIT with Latvia, in order to eliminate incompatibilities between certain BIT obligations and EU law. It also establishes a framework for addressing any future incompatibilities that may arise as EU authority in the area of investment expands in the future, and endorses the principle of protecting existing U.S. investments from any future EU measures that may restrict foreign investment in the EU.

The United States has long championed the benefits of an open investment climate, both at home and abroad. It is the policy of the United States to welcome market-driven foreign investment and to permit capital to flow freely to seek its highest return. This Protocol preserves the U.S. BIT with Latvia, with which the United States has an expanding relationship, and the protections it affords U.S. investors even after Latvia joins the EU. Without it, the European Commission would likely require Latvia to terminate its U.S. BIT upon accession because of existing and possible future incompatibilities between our current BIT and EU law.

I recommend that the Senate consider this Protocol as soon as possible, and give

its advice and consent to ratification at an early date.

GEORGE W. BUSH

The White House,
March 12, 2004.

The President's Radio Address *March 13, 2004*

Good morning. This week I met with entrepreneurs and workers in Ohio and New York and talked to them about how we are strengthening America's economy. Over the past 3 years, America's economy has faced a series of challenges: stock market decline, recession, terrorist attacks, corporate scandals, and the uncertainties of war. My administration confronted those challenges squarely and acted boldly. We reduced taxes on families and small businesses. We encouraged new investment, and we're seeing the results.

America has the fastest growing major industrialized economy in the world. American productivity has grown faster over the last 2 years than at any time in more than 50 years. More manufacturers have been reporting rising activity than at any point in the last 20 years. Homeownership rates are the highest ever. Inflation is low, and interest rates and mortgage rates are near historic lows. The unemployment rate of 5.6 percent is below the average unemployment rate in the 1970s, the 1980s, and the 1990s. And last month marked the sixth consecutive month of increased employment in America.

Yet, some industries and some parts of the country are still lagging behind. In Ohio, where many manufacturers are now so productive, they can produce more goods without hiring new workers. In cities like Youngstown and Cleveland, many workers are concerned about their future, about their benefits, and about the opportunities their children will have.

Some politicians in Washington see this new challenge, and they want to respond in old, ineffective ways. They want to increase Federal taxes, yet punishing families and small businesses is not a job-creation strategy. They want to build up trade walls and isolate America from the rest of the world, but economic isolationism would threaten the millions of good American jobs that depend on exports. These tired, old policies of tax and spend and economic isolationism are a recipe for economic disaster. There's a better way to help our workers and help our economy.

First, we must pursue a confident policy of trade. Millions of American jobs depend on our goods being sold overseas, and foreign-owned companies employ millions of Americans here at home. We owe those workers our best efforts to make sure other nations open up their markets and keep them open. We want the entire world to "Buy American," because the best products in the world carry the label "Made in the USA."

Second, we must remain the best place in the world to do business, to start a company and hire workers. We need fewer mandates and unnecessary regulations on small businesses. We need legal reform in America to cut down on junk lawsuits. We need to help companies and their employees confront the rising costs of health care. We need to make sure the tax relief is made permanent to keep our economy on the path to growth and job creation.